

## In the matter of:

Request For Exclusion From Potential Import Relief For "Type 2 Z Bars" Used For the Manufacture of Railway Tank Cars

## AFFIDAVIT OF DONALD OLENIK

Donald Olenik, being duly sworn, deposes and says:

- I am the Director of Materials for Union Tank Car Company, a U.S. producer of railway tank cars located in Chicago, IL. I have been employed by Union Tank Car for 27 years, and have held my present position since April 1994. As part of my responsibilities in this capacity, I source and arrange the company's necessary purchases of materials and equipment for the manufacture of tank cars.
- A steel shape referred to as a "z-bar" is a necessary element of a railway tank car.
   A z-bar is used as the end sills on railway tank cars. The car's couplers, yokes and gears are housed inside the sill. One z-bar is required for each railway tank car manufactured.
- 3. Z-bars for railway tank cars must be manufactured in accordance with standards established by the Association of American Railroads (AAR). The relevant standard for tank car manufacturing is known as M-1002. Section 4.6.3 of M-1002 requires that z-bars for railway tank cars be manufactured in accordance with specifications established by the American Society for Testing and Materials (ASTM), and specifically ASTM Standard A572-50. Section 4.6.3 of M-1002 further requires that only "Type 2" ASTM

A572-50 steel shapes be used for z-bars used for railway tank cars. The key element of "Type 2" z-bars, and that which differentiates "Type 2" z-bars from "Type 1" z-bars which can be used for the manufacture of freight cars other than tank cars, is the presence

of vanadium (approximately 0.05 percent, by weight).

4. Since approximately early 1998, there has been no domestic production of Type

2" z-bars. In fact, only one U.S. steel producer, Nucor Corporation, manufactures any

type of z-bars. However, Nucor will only roll "Type 1" z-bars used for the manufacture

of freight cars other than tank cars, and has consistently refused to roll "Type 2" z-bars.

5. For this reason, Union Tank Car Company, as well as all other U.S.

manufacturers of railway tank cars, have by necessity been required to source its

requirements for "Type 2" z-bars from overseas suppliers. The vast majority of these

purchases are from a manufacturer in Luxembourg, Ares S.A.

6. I am not aware of any company in the United States that has expressed any

interest in the production of "Type 2" z-bars.

Donald Olenik

Sworn to before me

this 2nd day of November 2001

Notary Public

TERESA CABELLO NOTARY PUBLIC STATE OF INDIANA

LAKE COUNTY
MY COMMISSION EXP. JAN. 27,2008